

**CITY OF CHULA VISTA
MINUTES**

HOUSING ADVISORY COMMISSION (SPECIAL) MEETING

**MONDAY, JUNE 9, 2008
4:00 P.M.**

**CITY HALL BY CLERK'S OFFICE
CONFERENCE ROOM #C103**

CALL TO ORDER/ROLL CALL – 4:50 p.m.

PRESENT: Margie Reese, Dina Chavez, Armida Martin Del Campo, Mark Minas, Aurora Cudal, Earl Jentz

ABSENT: Steve Zasueta (excused)
Gregory Alabado (excused)

STAFF: Amanda Mills, Redevelopment & Housing Manager
Stacey Kurz, Senior Project Coordinator
Jose Dorado, Project Coordinator II

1. PILOT HOMEOWNERSHIP PROGRAM FOR REAL ESTATE OWNED PROPERTIES

Staff Mills provided an overview of the proposed pilot program to provide up to \$30,000 in downpayment and closing cost assistance (DCCA) for low-income households to purchase real estate owned (REO) properties within the City. This program would be additional assistance to the current \$40,000 available through the City's program being administered by Community HousingWorks, for a total of up to \$70,000 towards purchase of an REO property. The current request to Council would allocate \$300,000 to the program to assist approximately 10 households, with future requests pending the success of the pilot program.

Member Jentz asked of the DCCA would be a silent loan by the City; Staff Mills confirmed the loan would be a silent low interest deferred loan, with equity share. If any are repaid they would be put back into the program in a revolving loan fund.

Vice Chair Reese asked if the source of money was federal; Staff Mills confirmed the HOME program was through the U.S. Department of Housing & Community Development (HUD). Vice Chair Reese further asked about the success of the current program. Staff Mills indicated that Community HousingWorks currently has approximately a dozen families in the pipeline that have qualified for the DCCA.

Member Martin Del Campo asked what terms the equity share carried; Staff Kurz and Mills indicated that there is no share the first year, years 1-5 are 70% City and 30% buyer with a declining City portion over the years. Member Martin Del Campo asked if the loans would be 2nd and 3rd position behind a first mortgage and Staff Mills confirmed. She further inquired if the City was having success talking with banks, realtors have been having difficulty with some and who would receive the bank commission for the purchase. Staff Kurz and Mills explained that this is a pilot program, and the City will assess the success on factors such as the ability to work with banks to purchase these homes and that buyers will be provided lists of available REOs through Community HousingWorks to work with their agents for purchase, therefore agents would receive normal commissions.

Member Cudal asked how the program would be advertised. Staff Mills and Kurz explained that Community HousingWorks will be sponsoring a homebuyer fair in Chula Vista, date to be determined, and anyone inquiring into first-time homebuyer opportunities in Chula Vista are provided with a flyer and/or information on the program. The Housing Information line also provides information on the DCCA. Both lenders and applicants must be certified to utilize the City DCCA.

Member Minas asked if applicants had to be first-time homebuyers and if mobilehome purchase was eligible. Staff Mills and Kurz explained that applicants cannot have held property within the past 3 years to qualify as first-time homebuyers and a mobilehome is personal property and ineligible with the funding sources, unless the property is also purchased. Currently the only park in Chula Vista which is resident owned is Orange Tree Mobile Home Park, and therefore purchases would be eligible in this park for the DCCA.

Member Martin Del Campo made a motion to recommend Council approve the program. Member Cudal seconds the motion. All other members agreed unanimously.

2. APPLICATION FOR CAL-HOME PROGRAM FUNDS

Staff Dorado provided an overview of the CalHOME funds available through the State Notice of Funding Availability for downpayment assistance to low-income households. He further indicated that the City could receive up to \$900,000 if the application is successful. Staff Mills further added that these monies would be infused into the existing DCCA to assist additional families.

Member Minas made a motion to recommend Council approve the submittal of the application. Member Chavez seconds the motion. All other members agreed unanimously.

3. STAFF REPORTS

Staff Mills provided a brief update on two affordable projects, Los Vecinos and The Landings indicating that both were under construction and on schedule.

4. MEMBER'S COMMENTS

Vice Chair Reese inquired to the status of finding replacements for those members resigning and/or vacant commission seats. Staff Mills indicated that the Mayor's office was actively seeking to fill the positions and is aware that staff and the commission desire the seats to be filled prior to the next regularly scheduled meeting. Vice Chair Reese further asked that staff alter future agendas to read "The Commission will provide comment and recommendations to Council." Staff Kurz indicated that this change would be made.

5. ORAL COMMUNICATIONS

None.

6. ADJOURNMENT - Meeting was adjourned at 5:20 p.m. to the next meeting of July 23, 2008 at 3:30 p.m.